

## Message Text

UNCLASSIFIED

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ACTION EB-07

INFO OCT-01 EA-09 ISO-00 AID-05 CIAE-00 COME-00 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 /065 W

----- 006603

R 160820Z AUG 76

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC 6228

INFO AMCONSUL MEDAN

AMCONSUL SURABAYA

UNCLAS JAKARTA 10729

E.O. 11652: N/A

TAGS: EINV, EFIN, ID

SUBJ: INDONESIAN INVESTMENT CLIMATE

1. ECONOMIC/COMMERCIAL COUNSELOR RECEIVED TELEPHONE CALL WEEK AGO FROM MEMBER OF KUHN-LOEB TEAM THAT HAD VISITED JAKARTA IN JULY WHO STATED THAT KUHN-LOEB HAD FORMAL REQUEST FROM GOI MINISTRY OF PLANNING AND "ECONOMIC CZAR" WIDJOJO NITISASTRO TO PREPARE "MEMORANDUM" ON INDONESIAN INVESTMENT CLIMATE AS SEEN IN U.S. AND IMPEDIMENTS TO INCREASED INVESTMENT BY AMERICAN FIRMS. KUHN-LOEB'S APPROACH IS TO REVIEW SITUATION WITH CROSS-SECTION OF AMERICAN FIRMS ALREADY INVESTING IN INDONESIA AND ASKED COUNSELOR FOR SUGGESTED NAMES OF SUCH COMPANIES. E/CM COUNSELOR POINTED OUT THAT MEMORANDUM BASED IN UBTERVIEWS ONLY IN U.S. WOULD BE UNBALANCED AND REFLECT ONLY VIEWS OF OFFICIALS WHO SEE REPORTS FROM THEIR OPERATING MANAGERS IN INDONESIA, PRESS REPORTS AND REPORTS CONTAINED IN SPECIALIZED SECTORAL PUBLICATIONS. KUHN-LOEB WAS URGED TO BLANACE U.S. PERSPECTIVE WITH REPORT BASED ON REVIEWS WITH SOME COMPANIES' OPERATING MANAGERS IN INDONESIA. FURTHERMORE, IT WAS SUGGESTED THAT THOSE FIRMS WHO HAD EXAMINED OPPORTUNITIES IN INDONESIA AND EITHER REJECTED OPPORTUNITY OR HAVE DELAYED DECISION SHOULD BE INCLUDED.

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2. WITHIN ONE-HALF HOUR OF TELEPHONE CALL FROM NEWYORK, E/CM COUNSELOR RECEIVED CALL FROM SUMANTORO OF BAPPENAS, WHO WORKS FOR BAPPENAS DEPUTY CHAIRMAN FOR REGIONAL AND LOCAL DEVELOPMENT, ASKING FOR MATERIALS THAT EMBASSY MIGHT POSSESS ON INDONESIAN INVESTMENT CLIMATE AND REPORTS ON EXPERIENCES OF OTHER LDCS IN ATTRACTING PRIVATE FOREIGN INVESTMENT. EMBASSY HAS PROVIDED ITS UNCLASSIFIED MATERIAL, AND AID IS EXAMINING ITS RESOURCES REGARDING POSSIBLE STUDIES AND REPORTS ON SUBJECT. E/CM COUNSELOR ASKED IF SUMANTORO WANTED REPORTS OF SUCCESSFUL PROGRAMS SUCH AS THOSE IN SINGAPORE AND IVORY COAST. SUMANTORO SAID THIS WAS EXACTLY WHAT HE WANTED. HE SAID THAT THERE WAS URGENCY IN HIS REQUEST SINCE IT CAME FROM MINISTER WIDJOJO. E/CM COUNSELOR OBSERVED THAT THEREFORE BAPPENAS WANTED THIS MATERIAL "YESTERDAY." SUMANTORO SAID "YOU KNOW MY BOSS"

3. EMBASSY WOULD APPRECIATE DEPARTMENT PROVIDING BY QUICKEST MEANS POSSIBLE SUCH REPORTS AS REQUESTED. SUGGEST THAT THEY BE MAILED VIA APO, C/O E/CM COUNSELOR DAVID H. COHN, SINCE POUCH SERVICE SPEED IS FREQUENTLY GLACIAL.  
NEWSOM

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** REPORTS, INVESTMENT OPPORTUNITIES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
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**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
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**Enclosure:** n/a  
**Executive Order:** N/A  
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**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 24 MAR 2004  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** INDONESIAN INVESTMENT CLIMATE  
**TAGS:** EINV, EFIN, ID  
**To:** STATE  
**Type:** TE  
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